| USDA | United States Department of Agriculture | Office of the Chief Financial Officer | National Finance Center | P.O. Box 60000 New Orleans Louisiana 70160 |
|---|---|---|---|---|

Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 09–25, New York State Income Tax Withholding

Date: May 1, 2009

To: Holders of TAXES (State of New York only)
Personnel User Groups
T&A Contact Points in New York

Beginning with wages paid for Pay Period 10, the National Finance Center (NFC) will make the following changes to the state of New York income tax withholdings:

- The flat tax rate on supplemental wages will change from 7.35% to 11.03%.

- The Single and Married withholding tables will change.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to the National Finance Center's (NFC) Home Page (*www.nfc.usda.gov*) and click the **Publications tab**. Then on the right-hand Quick Picks menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "▶◀".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504–255–4630**.

JOHN S. WHITE, Acting Director
Government Employees Services Division

NFC BULLETIN

# New York State Income Tax Information

| | |
|---|---|
| **State Abbreviation:** | NY |
| **State Tax Withholding State Code:** | 36 |
| **Acceptable Exemption Form:** | IT–2104 or W–4 |
| **Basis For Withholding:** | State Exemptions |
| **Acceptable Exemption Data:** | S, M / Number of Exemptions |
| **TSP Deferred:** | Yes |
| **Special Coding:** | None |
| **Additional Information:** | None |

## Withholding Formula ▶(Effective Pay Period 10, 2009)◀

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.

2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes flexible spending account – health care and dependent care deductions) from the amount computed in step 1.

3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.

4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.

5. Determine the standard deduction allowance by applying the following guideline and subtract this amount from the annual wages.

   | Single/Head of Household | Married |
   |---|---|
   | $6,975 | $7,475 |

6. Determine the exemption allowance by applying the following guideline and subtract this amount from the result of step 5 to compute the taxable income.

   Exemption Allowance = $1,000 x Number of Exemptions

7. Apply the taxable income computed in step 6 to the following table to determine the annual New York tax withholding.

**Tax Withholding Table**
**Single**
**or**
**Head of Household**

| If the Amount of Taxable Income Is: | | | The Amount of New York State Tax Withholding Should Be: | | | | |
|---|---|---|---|---|---|---|---|
| **Over:** | **But Not Over:** | | | | | | **Of Excess Over:** |
| $ 0 | $ 8,000 | | $ 0 | plus | 4.00% | $ | 0 |
| 8,000 | 11,000 | | 320 | plus | 4.50% | | 8,000 |
| 11,000 | 13,000 | | 455 | plus | 5.25% | | 11,000 |
| 13,000 | 20,000 | | 560 | plus | 5.90% | | 13,000 |
| 20,000 | 90,000 | | 973 | plus | 6.85% | | 20,000 |
| 90,000 | 100,000 | | 5,768 | plus | 7.64% | | 90,000 |
| 100,000 | 150,000 | | 6,532 | plus | 8.14% | | 100,000 |
| 150,000 | ▶200,000 | | 10,602◀ | plus | 7.35% | | 150,000 |
| ▶200,000 | 300,000 | | 14,277 | plus | 8.85% | | 200,000 |
| 300,000 | 350,000 | | 23,127 | plus | 14.85% | | 300,000 |
| 350,000 | 500,000 | | 30,552 | plus | 8.85% | | 350,000 |
| 500,000 | 550,000 | | 43,827 | plus | 27.33% | | 500,000 |
| 550,000 | and over | | 57,492 | plus | 11.03% | | 550,000◀ |

**Married**

| If the Amount of Taxable Income Is: | | | The Amount of New York State Tax Withholding Should Be: | | | | |
|---|---|---|---|---|---|---|---|
| **Over:** | **But Not Over:** | | | | | | **Of Excess Over:** |
| $ 0 | $ 8,000 | | $ 0 | plus | 4.00% | $ | 0 |
| 8,000 | 11,000 | | 320 | plus | 4.50% | | 8,000 |
| 11,000 | 13,000 | | 455 | plus | 5.25% | | 11,000 |
| 13,000 | 20,000 | | 560 | plus | 5.90% | | 13,000 |
| 20,000 | 90,000 | | 973 | plus | 6.85% | | 20,000 |
| 90,000 | 100,000 | | 5,768 | plus | 7.64% | | 90,000 |
| 100,000 | 150,000 | | 6,532 | plus | 8.14% | | 100,000 |
| 150,000 | ▶300,000 | | 10,602◀ | plus | 7.35% | | 150,000 |
| ▶300,000 | 350,000 | | 21,627 | plus | 17.85% | | 300,000 |
| 350,000 | 500,000 | | 30,552 | plus | 8.85% | | 350,000 |
| 500,000 | 550,000 | | 43,827 | plus | 27.33% | | 500,000 |
| 550,000 | and over | | 57,492 | plus | 11.03% | | 550,000◀ |

**8.** Divide the annual New York tax withholding by 26 to obtain the biweekly New York tax withholding.